

# **SOCIAL ACTION**

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*JUNE 1951*

EDITORIAL COMMENTS

HUNGRY STATE

A SOCIAL EXPERIMENT

LABOUR LEGISLATION

SOCIAL EDUCATION

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# SOCIAL ACTION

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VOL. 1 NO. 3

JUNE 1951

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## *Bharat Hamara*

### *Clouds over Delhi*

When the members of the Constituent Assembly had finished their work, they sat back with beaming satisfaction, assured as they were that they had built a home for justice, liberty, equality and fraternity in this ancient land. They were particularly proud of the chapter on Fundamental Rights. Yet on the very day of the inauguration of the Constitution, Sir B. L. Mitter who knew his people and his jurisprudence, wrote: "It is feared that this chapter will prove a fruitful source of litigation." The last six months proved him to be right.

The High Courts and the Supreme Court have decreed that some laws or ordinances passed by the Centre or by various States were anticonstitutional, null and void. The engineers of our Constitution are worried and seek trowel and cement to repair their *magnum opus* which they fancied would be more resistant than pre-fabricated houses.

### *A Patch of Blue*

One may sympathize with the discomfiture of our law-givers, but the incidents brought out much which is to the good. The most significant fact is that people take their Constitution seriously; they are convinced it is not a mere literary structure but a charter giving them rights which can be asserted and vindicated; they feel that redress is possible and easy; they are aware that the supreme judiciary is impartial between them and the government. The most telling case was that of the Madras student who went straight to the Supreme Court because he had been refused admission to a College, and won his point.

The story recalls the pleasant vision of St Louis of France rendering justice under the oak tree of Vincennes. Or of the Sans Souci miller, who had answered a threat of being dispossessed by Frederick the Great with, "My mill belongs to me as much as Prussia to the King"; and who had countered further threats with the famous saying: "There are judges in Berlin."

The Fathers of our Constitution must have been in their best bucolic mood when they voted that "The right to move the Supreme Court by appropriate proceedings for the enforcement of the rights given by this Part is guaranteed." One may fear a traffic jam if our 361,820,000 citizens are allowed direct access to the Supreme Court. But what is comforting is that citizens now know that 'there are judges in Delhi.'

### *A Patch of Grey*

Two points exercised the attention of the people and the acumen of the judges: freedom of speech, equality between citizens; the latter was mooted oftener than the first. It arose out of the Madras regulations on communal admissions to Colleges and government services, the Bombay prohibition law, and the anti-zemindari legislation in Bihar and Madhya Pradesh.

Equality is not a simple notion. The American Declaration of Independence proclaimed among 'the truths to be

self-evident, that all men are created equal'; it could have completed the idea with the more self-evident truth that they are created unequal. The Declaration intended only to assert directly the native right for any nation to self-government. The Bill of rights itself rests satisfied with specific guarantees of individual liberty, taking it for granted that once American citizens are left free, they will secure whatever civic equality can be achieved.

The charter of the U. N. O. explicitly acknowledges the equal rights of nations, large and small, and intends developing friendly relations 'based on respect for the principle of equal rights and self-determination of peoples.' Yet it also provides for a difference between large and small nations in the Security Council and gives the Big Five the right of veto.

### *Equity and Equality*

It may be delicate to justify a differential status between sovereign states. It is easier to vindicate differences of treatment between subjects. Civic equality demands inequality in protection. If all citizens are to meet round a common table, giants may be left to sit on the floor, but dwarfs must be given high stools. It is for the sake of distributive justice that our Constitution favours differential legislation on behalf of women and children, minorities and backward classes. The law cannot provide against all individual misfortunes; it must rest contented with accommodating group-cases which invite unequal protection to secure equal opportunities.

One caution must be added. Legal equality will not establish uniform equality of status and opportunities. In spite of the best legislation, there always remains ample room for personal initiative to smoothen the conditions of the many and make human society a little more humane for the unfortunate. However plentiful constitutional justice and equality may be, ample scope is left for charity.

A. L.



## *The Food Problem in Madras*

An analysis of the problem is no easy matter. For the question is highly complex in itself and the available relevant data are unsatisfactory, being neither adequate nor quite reliable. Moreover the issue is befogged by political partisanship and vested interests no less than by the mass of conflicting opinions of leaders whose good faith and sincerity are beyond question.

The food problem in Madras is mainly a question of the supply of rice and millets (cholam or jowar, cumbu or bajra, ragi, korra, varagu and samai) in relation to the demand for them, as these cereals form the bulk of the food of the population. The State is normally deficient in rice and millets. According to the Famine Inquiry Commission (1944), the average annual production of rice for the quinquennium ending 1941-42 was approximately 47,00,000 tons, while the average import of rice for the four years ending 1940-41 and the five years ending 1941-42 was 3,50,000 and 2,60,000 tons respectively. Apart from the unrecorded imports of ragi and other millets from the adjoining Native States, the recorded net imports of jowar and bajra averaged about 10,000 tons a year in this period. There was, moreover, an average yearly import of 65,000 tons of wheat. The cereal imports during the period thus worked out at an annual average of 3,35,000 tons, and the cereal deficit covered thereby was approximately equal in amount. In his recent excellent book *Madras Agriculture*, Mr. C. W. B. Zacharias, after noting that the average annual net importation of grains and flour was 3,78,000 tons for 1919-21 and 8,96,000 tons for 1934-39, observes that by 1942 on the basis of the increase of population without a corresponding increase of production, the deficit in cereals had probably grown to 10,00,000 tons. Further, calculating the cereal requirements from

the pre-war effective demand for food-grains to be 87,00,000 tons and taking the normal production to be 65,00,000 tons, he estimates the deficit in 1949-50 at 22,00,000 tons. The Economic Adviser to the Government of Madras arrives at the same deficit for that year through a slightly different calculation in which the cereal requirements are estimated at 89,00,000 tons assuming 20 ozs as the normal ration per adult per day and the normal production is derived from the figures 1943-48. The Food Minister to the Government of Madras, in a statement circulated to the members of the Legislative Council in January last, stated that according to the latest estimate by the statistical Department, the production of rice and millets in 1950-51 was 61,50,000 tons (rice 41,50,000 tons and millets 20,00,000 tons) as against the normal production of 65,00,000 tons (rice 49,00,000 tons and millets 26,00,000 tons) showing a deficit of 13,50,000 tons. This deficit, being a fall from the normal production, must add itself to the deficit calculated on the basis of normal production in relation to the requirements, thereby swelling the total deficit equivalently. It must be noted, however, that the Food Minister held that, calculating requirements on the basis of 12 ozs instead of 19 ozs per adult per day, the total deficit would not be greater than 13,50,000 tons. Mr. O. P. Ramaswamy Reddiar, former Chief Minister of Madras, challenged the production figures for 1950-51 given by the Food Minister, characterising them as overestimates and contending that the deficit was 35,00,000 tons (rice 25,00,000 tons and millets 10,00,000 tons). His estimate of the deficit was made on the assumption of the total failure of the rice and millet crops on more than 50,00,000 acres, which the Food Minister pointed out to be an exaggeration by citing relevant facts while admitting at the same time a fairly wide-spread failure of crops.

The discrepancy between the various estimates of deficit arises from the adoption of different standards as regards requirements and production, in computing them. The requirements will be larger or smaller according to the amount

of foodgrains allowed per adult per day. A bigger allowance must be made in the long run in which the raising of the standard of consumption to a satisfactory level is a governing consideration than in the short run when that consideration might be overridden by more pressing ones. The accuracy of the estimates of production, however carefully prepared by the government officials at the top, depends ultimately on that of the figures submitted by the *Karnams*. The returns of these village officers are not free from carelessness and manipulation, despite supervision and control by superior officers. The desire to show reduced stocks for procurement has strengthened the tendency of the *Karnams* during the last few years to report lower yields than the actual. Much of the foodgrains sold in the black market is the unreported surplus in the hands of the producers. The different standards adopted for computing requirements and the manifest imperfections of the Government estimates may lead us to place the food deficit at a higher or a lower figure according to our preferences, but they leave us in no doubt about the central fact that there is a real deficit in food supply and that is substantial.

The solution to the problem differs according to the period of time which we take into account, and is best examined separately with reference to the long period and the short period. The essence of the long period solution consists in providing the people with adequate food both in quantity and in quality. This implies an estimate of cereal and non-cereal food requirements on the one hand and arrangements to produce a corresponding food supply on the other. In determining the food requirements the norm should be a reasonable and balanced diet conformable to international standards, of the kind worked out by nutrition experts. Such a diet will contain less cereal and more protective foods such as milk and milk products, meat, fish, eggs, pulses, vegetables and fruits than the present one, and accordingly a smaller supply of cereals and a large one of non-cereal foods will be needed hereafter. On the basis of



a satisfactory nutrition standard of this kind and taking into consideration the annual increase of population the total food requirements may be arrived at.

In order to secure a suitable expansion of food production, all possible means such as irrigation works, land colonisation, mechanisation of agriculture, improved methods of cultivation, fertilisers, etc., should be pressed into service, and, as they are already being utilised to a greater or lesser extent as the case may be, the really important question is to extend them to the utmost limit. This task of extension involves time and, for works of capital development like irrigation projects and land colonisation schemes, etc., more time than for other measures of agricultural improvement. The long period affords ample scope for carrying out capital works which may make no negligible addition to the output of food materials. It is expected that all these measures would lead to the attainment of self-sufficiency in food.

Self-sufficiency in this respect is no doubt a highly desirable ideal. It has obvious advantages at all times and particularly during a war. But it must be obtained at a reasonable cost. It involves the diversion of resources to food production from other spheres in which there is a consequential reduction of output. The sacrifice of output may be so heavy that from the point of view of the economy as a whole it may be more profitable not to aim at food self-sufficiency, making up the deficit by imports. This is a decisive consideration to be taken into account in any policy of food self-sufficiency. Some, however, may support food self-sufficiency on the ground that, otherwise, India's political and diplomatic position is weakened in relation to the countries from which food imports are expected. This line of argument, if extended to other commodities to which it is substantially applicable, would land us in a policy of total self-sufficiency which is grossly out of tune with the present international set-up. This is not to say, however, that political and diplomatic considerations, even if valid, are not relevant to the policy of food self-sufficiency. On the other

hand they have an important place in it, though normally a place ancillary to the primary economic consideration of cost. Moreover while food self-sufficiency is difficult enough to secure in the long period, it is very much more so in the short period, so that facile promises of it almost overnight by this or that date only do credit to the spirit of challenge rather than the political wisdom of those who are rash enough to indulge in them.

The immediate or short period solution of the food problem cannot reckon on the increase in stocks, available in the long period as the result of developmental schemes. In order to meet the deficit, it has to depend on any immediate increase in production and also on imports. The former being necessarily limited, imports are the main source of relief and no pains should be spared, therefore, to obtain them in as large a measure and with as little delay as possible. Of course there are obvious difficulties in the way, but they cannot justify official dilatoriness of the kind noticed, for example, in connection with rice imports from Burma, which helps no one. Nor can the plea of dearth of foreign exchange be convincing, as, in the allocation of it, the topmost priority must be given to food imports.

While importation is one part of the solution, the other part is to effect a proper distribution of the insufficient stocks among consumers. The means are price control and rationing. They are distinct in theory but in practice they go together. They are emergency measures adopted to tide over a period of acute shortages created by war conditions. With the fall of Burma in 1942, Madras, which used to get the bulk of its rice imports from there, was almost immediately affected, and the food shortage thereby created was further intensified by exports of rice from the surplus districts of Madras to Bombay, Travancore, Cochin and Ceylon and by drought conditions in the Ceded districts of Bellary, Anantapur and Kurnool. The supply position deteriorated still more as the transport conditions became increasingly difficult and as a panic complex spread among the people

because of Allied reverses in the various theatres of war. In these circumstances, rationing of foodgrains was introduced in 1943 and has continued since then except for a brief spell of de-rationing in 1947, with modifications of the area of its operation from time to time. With imports cut off and transport conditions rendered enormously difficult by war, rationing was no doubt a dire necessity in which the people acquiesced because it could not be helped.

But is it justified to continue rationing now, six years after the war? Those who think it is fail to appreciate that it is not food shortage alone but food shortage plus the impossibility of obtaining stocks from other parts of India or from abroad on account of war, that makes rationing necessary. Madras is normally deficient in foodgrains; nearly always, drought conditions prevail in some area or other of the State, so that, if food shortage is the only ground for rationing, there should be perpetual rationing, a grim prospect indeed which could hardly be defended as a normal and permanent measure. Nor is it possible to defend the continuation of rationing in peace time on its results. No doubt it supplies people with a certain amount of foodgrains at controlled prices, and that is about all that can be said in praise of it. Its defects are well known; the grain sold at the ration shops is of bad quality and often has a foul smell and a fair percentage of stones and dirt and there is no lack of administrative inefficiency and corruption. Even as regards the quantity supplied through rationing, the weekly amount is sufficient only for three or four days, so that for the rest of the week people depend on the black market where the prices are higher. Sometimes there is hardly any stock in the ration shops, particularly in those of the rural areas, which, it may be noted, has been partly responsible for the recent abandonment of rural rationing.

It is sometimes argued that rationing must be enforced as long as there is food shortage because otherwise the existing food supply cannot be distributed equally among all the

people. Presumably the equality envisaged in this argument is absolute equality implying uniform rations for everybody. Though it has a superficial, not to say ideological, appeal, its philosophical soundness is doubtful. Moreover it is unrealizable in practice. This is recognized in the scale of rations now in force, which allows a larger quota to producers and certain specified classes of manual labourers than to others. On the other hand, unlike equal distribution, equitable distribution is a valid and feasible principle. While rationing is justified on that principle in wartime, its retention under peace conditions must be judged by other equally important considerations as well.

The most important of these considerations relates to production of food. Under the present system of rationing and Government monopoly procurement of foodgrains at controlled prices, there is no incentive to produce foodgrains. The raising of the procurement prices may somewhat improve the situation but an adequate stimulus to production can be given only by the restoration of the normal working of the market forces of supply and demand. Unlike the so-called de-control of 1947 and its present repetition, it implies free purchase and sale of foodgrains throughout the State, with restrictions only on export outside the State except when required under an All India Plan. It might be objected at once that such a policy would be ruinous since it would lead to soaring prices and expose millions of poor people to starvation and death. It is true prices will rise, but it is important to distinguish the initial rise immediately after the lifting of controls from the later one, for the second is really what matters. Most probably the prices at the later stage will be higher than the controlled rates, but they may not be so high as compared with the black market prices and possibly may be equal to them and even lower.

High as they may be, they have the saving feature of stimulating production and thereby settling down at a reasonable level in due course. Meanwhile the distress that

might be caused by the high prices and the non-availability of stocks may be overcome by measures other than rationing, measures whose efficacy has been proved beyond doubt during the last hundred years. These measures of famine relief are precisely applicable to the food shortage created by bad monsoons such as the present one and they have the supreme merit on the one hand of dealing only with the areas and sectors of population really in need of relief thereby limiting their commitments and on the other of operating in close collaboration with the normal channels of trade as far as possible. They are in striking contrast with the system of rationing in which commitments are extended more than is strictly required, thereby making the problem unmanageable and the normal channels are stifled giving place to Government monopoly with all its attendant drawbacks. Thus there seems to be a strong case for a bold and imaginative food policy to be carried through with courage and determination in the direction of restoring the free working of the economic system.

M. Arokiasamy.



## "Alter"

### A CHALLENGING SOCIAL EXPERIMENT

"ALTER" is one of these new-fangled words, whose meaning one cannot possibly guess nor find in any dictionary. The first syllable AL is an abbreviation of Alonso, the second syllable TER stands for Teresa. The combination of the two is the name of a factory of pharmacy chemicals in which about two hundred workers are employed. It was established in 1939 in the typical Madrid suburb of Chamartin de la Rosa, and ever since it has become so popular among the working classes, that, in the summer of 1948, a party of visitors were somewhat disappointed to find affixed to the main entrance gate the following permanent notice: "No

vacancies. Please do not apply." Some of the party hoped to intercede on behalf of one or the other of their protégés. Nothing doing. Afterwards it was brought home to the visitors why there were no vacancies.

The founder and leading member of the factory and firm of "ALTER" is Senor Juan J. Alonso, a small industrialist at the time of the Spanish civil war, who was anxious to put into practice the social doctrines of the Church, as expressed in the papal encyclicals. With this idea he started "ALTER" taking the papal teaching as his guiding principles.

This teaching can briefly be summarised as follows: "The end of the material goods of this world is the satisfaction of the needs of men. These goods have been created by God so that all men may have an equitable share in them and thus strive after their own material and moral improvement in consonance with their human dignity, and, in this way, attain to their eternal destination."

Hence the whole economic system must be made subordinate to man, a rational being, composed of body and soul, and capable of enjoying eternally the vision of God in heaven.

In keeping with these principles, the administrative management of "ALTER" is entrusted to three different bodies: (a) the Board of Directors, made up by the employers, (b) the Brotherhood or Factory Labour Union, and (c) the Social Secretariate, which coordinates these two bodies and controls the social and cultural action of the place.

In the economic field, "ALTER" regards the *family wage* as the ideal wage. This is made up of two elements, the *basic wage*, depending on the work performed by the employee, and a system of *grants or allowances*, the most important of which is the *family allowance*.

It should be noticed at the start that the labour legislation of Spain provides for a compulsory system of family allowances, old age pensions, and health insurance, which in normal economic conditions would be of substantial aid

to the people. But at the present-day conditions are far from being normal, the total income that the ordinary worker receives in Spain is inferior to that of many European countries. "ALTER," therefore, while complying with the present legislation of the country, has tried to improve the conditions of its workers in accordance with the above mentioned ideals, considered, even by some Catholics, as Utopian.

The basic wage is different for different categories of employees: (1) technicians and managers, (2) advertising and publicity agents, (3) clerks and skilled workers, and (4) unskilled workers; and for the members of each category it takes into account the price of such items as *housing, food, clothes, and sundry* other articles. In addition, in the case of the men belonging to the first category of employees, the item *service* has been added which comprises the expenses usually made by qualified men, whose standard of living is higher than that of the rest.

In accordance with this computation a married technician without children draws every month a pay of 2,700 pesetas. For every child an additional 525 pts. are added; thus, if he has three children, the total monthly pay is 4,275 pts. <sup>(1)</sup>

At the other end of the scale the monthly wage of a married unskilled worker is 1,250 pts. plus 345 for each child. Hence if he has three children the pay amounts to 2,285 pts.

As some of the workers have twelve children, those of the lowest category receive on this score the handsome allowance of 4,248 pts. besides their pay of 1,250 corresponding to the basic wage.

The wages received by the intermediate categories of employees oscillate between these two extremes.

As an allowance equivalent to ten per cent of the basic wage is given to the married workers, the same percentage

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(1) The legal value of the peseta is about eight annas, but its purchasing value is less than five.

is deducted from the wages of the unmarried but credited to their account as a kind of nest-egg until they themselves marry. Then their basic wage is the same as that of their married fellow-workers.

As it may readily be surmised, this system of wages was only arrived at after many tentative trials. The solution was finally reached by the close collaboration between employers and employees.

Already at an early stage of this wage system, the workers pointed out that, owing to the food scarcity all over the country, what mattered most was not so much a high pay as a sure way of obtaining the needed supplies, especially foodstuffs, to supplement the quota of the country's rationing.

The efforts to comply with this reasonable request gave rise to the establishment of two new institutions in "ALTER", the *General Dining Halls*, and the *Economato* or Consumers Co-operative Society. In the Dining Halls a full meal is priced a peseta for the lowest paid workers, and is prepared according to the best standards as regards cleanliness, tastiness, and nourishing value.

The Dining Halls are frequented not only by the personnel, but also by the employers themselves, especially by Senor Alonso, who enjoys having a meal with his people.

The food is bought partly in the official and partly in the free market. But the firm incurs a loss of four pesetas on every meal served to the customers.

As regards the *Economato* i.e. the Consumers Co-operative Society, it sells at the legal price those articles which an ordinary family needs. These articles are also bought either from the producers or in the free market at a price exceeding the legal one; the excess amount is paid by the firm. Closely connected with the *Economato* the women of "ALTER" run a private shop of needle-work articles, which, sold at moderate prices, give them an additional income.

Every summer, in accordance with the provisions of the law, the workers have a fortnight holidays with pay. The



employees of "ALTER" spend sixteen days in seaside resorts on the Cantabric coast of the north of Spain. For this they pay one hundred pesetas; anything above this outlay is defrayed by the firm, and averages as much as a thousand pesetas per family.

The latest improvement in economic matters, which has been introduced in "ALTER," is a scheme of co-partnership or profitsharing. It would seem that the workers' share amounts to 50 percent of the total profits, but no details as regards the last innovation are as yet available.

After the perusal of these data this question naturally arises: How is the firm able to meet these expenses, especially in these days when the economic conditions of the country are so precarious? To this question the director of "ALTER," Senor Alonso, gives the following answer: "If the firm pays, it is because it can do so. Of course the smooth working of the system supposes, among other things, a sound administration, austerity in personal expenses on the part of the employers, a moderate wish for profits, efficient technical organization with modern equipment, and a careful selection of the personnel. A man, who is well-paid, skilfully trained and honest, produces twice as much as another worker who is devoid of these qualities." By way of reminder Senor Alonso adds: "Seek ye first the kingdom of God and His justice, and all these things shall be added unto you," (1). The fact is that "ALTER" is not only flourishing, but also expanding and even opening new branches in South America; and its medical products are classified among the best in the market.

After the study of the economic side of "ALTER" a word may be added on its socio-cultural activities. These are based on the deep-seated conviction that the relations between employers and employees should not be merely

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(1) J. J. Alonso, *APLICACION DE LA DOCTRINA SOCIAL PONTIFICIA EN ALTER*, Editorial S. Catolica, Vitoria 1948, p. 21 f.

economic, but, above all, human and friendly, as all men are equal before God. The factory, therefore, is not merely a place where one goes to work only, but also to be educated, to establish social and cultural contacts, to find recreation in games and amusements, and even to have opportunities of spiritual improvements. However, there is no compulsion in these matters. All is left to the free co-operation of each individual, and the fact that the whole scheme runs smoothly is partly due to the religious tradition of the Spanish people, among whom it is comparatively easy to find many who have the same outlook in life, even though they belong to different social classes.

The most interesting institution sponsored by "ALTER" is undoubtedly the *Children's Home* or *Kindergarten*. It is an infant day school for the children of employers and employees. These little ones are entrusted to the care of the nuns of St. Teresa's Institution. The classes, games, and meals are shared in common by all, and the type of education imparted is in no way inferior to that of any other school of its kind. When the children reach the age of going to the High School, the firm pays 75 per cent of the school fees to the employees' children; whereas those who go to a school where education is not paid for, receive nevertheless 50 per cent for their upkeep.

There are also special provisions made for those talented students who are selected to be the future technicians or agents of the firm. They receive a special training and sufficient financial help to enable them to complete their studies.

Among the University students belonging to "ALTER" there is a special group of about forty selected by order of merit, who, besides the ordinary curriculum of the University, receive special tuition by professors provided by ALTER." These tuitions include philosophy, social and economic questions, religion, and professional ethics. The end in view is not only to improve their professional career, but, above all, to put into practice and to spread the social ideals of the Church.

But in "ALTER" instruction or education is not the exclusive privilege of the young. Every evening half an hour before the end of the day's task, the workers are allowed to go without any loss of wages, to the free courses conducted on the premises of the firm. These courses include general culture, professional training, principles of sociology, religion, mathematics, commerce, languages, music, and even nursing and sewing for the women.

To describe all the cultural and religious activities in "ALTER" would need much more space than available. For example, the theatre hall is the scene of artistic performances and displays on the Mothers' day, the feast of the Immaculate Conception; on the Fathers' Day, the feast of St. Joseph; on the Children's Day, the feast of the Epiphany of Our Lord; and on the Employees' and Employers' Day.

A marriage or the birth of a baby becomes a factory event in which many take part. The married couple have a right to a special pay on that day, and to the use of one of the cars of the factory; while the new born baby receives as a gift from the mother's friends a lovely basket of home made clothes. On one occasion, when twin girls were born, the Brotherhood adopted one of them and promised to pay every year for her upkeep.

Charity and help are also extended to the less privileged brethren, the sick and the poor in the slums of Madrid, whom the workers of the factory visit and assist either personally or through their organizations.

Meanwhile the chapel is always open in "ALTER." The Night Adoration and the League of the Spiritual Exercises are flourishing. The chaplain of "ALTER" is a father and a friend, an adviser and a guide, and he belongs *ex-officio* to the Social Secretariate.

"ALTER" has been twelve years in existence, and in spite of its critics, who regarded it as the fancy of a dreamer, is every day waxing stronger. Let the reader himself draw his own conclusions. The fact that in these hard times the

firm has brought security and happiness to its workers, and has solved their social problems as perfectly as they can be solved in this world, is the best apology for its existence.

P. Gisbert



## *The Labour Relations Bill*

The Labour Relations Bill <sup>(1)</sup> is "the first attempt at providing the country with a comprehensive law" on the relations between management and labour. The basis of the Bill is stated to be "Faith in the efficacy of friendly negotiations between an employer and an employee." It claims to be "extensive in scope and applies to all categories of employees except civil servants, persons employed in the defence forces and domestic servants, and to all establishments working with more than ten employees."

Three new authorities are introduced by the Bill : Standing Conciliation Boards, Labour Courts and the Appellate Tribunal ; the responsibility for the latter devolves on the Centre and its purpose is to abolish the dissatisfaction which exists at present by the existence of different and conflicting decisions given on the same matter in different States and regions. The Appellate Tribunal will aim at "all possible coordination and uniformity in the settlement of labour disputes throughout the country." Thus the formidable machinery of the Act will now consist of Registering Officers, Works Committees, Conciliation Officers, Boards of Concili-

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1. The Labour Bill, 1949. (as Amended by The Select Committee).  
The references : C3, C40 etc. refer to the clauses of the Bill.

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ation, Standing Conciliation Boards, Commissions of Inquiry, Labour Courts, Labour Tribunals, Appellate Tribunal.'

The Minister for Labour stating the objects of the Bill tells us that its basis is goodwill between employers and employees and that "It should be the goal of every progressive labour policy to so influence labour-management relations as to make the withdrawal of State intervention possible."<sup>2</sup> Let us see if the Bill is likely to lead to these highly desirable conclusions. It will achieve this in so far as it satisfies the legitimate claims of both employers and employees and is properly proportioned to the needs and difficulties of the day.

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For the purpose of the Bill all labour is divided into three : civil servants, those engaged in public utility services, and all other workers who are not excluded from the purport of the Bill as agricultural workers and domestic servants (<sup>3</sup>). There seems to be no *serious* reasons why the latter should be excluded ; they are completely unprotected and in many cases notoriously exploited, especially young girls, and are greatly in need of protection. Civil servants also are omitted but the Special Committee was assured by Government that they "were contemplating to bring at an early date a separate Bill to provide suitable machinery for dealing with the grievances of civil servants. Governmental contemplations are often long and full of distractions ! Civil servants should have the same fundamental rights as everyone else ; if a just strike as a means of enforcing their legitimate claims is taken away from them, then conditions and wages should be such as to give contentment, and adequate machinery should be set up so that grievances can be

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2. Statement of Objects and Reasons in the original Bill.

3. Since agriculture is our chief industry it is high time that something were done for agricultural workers. It is now promised that the Minimum Wages Bill will apply to them by 1953. This is something, if only we were assured that it would really go into effect. However, this matter is too vast to treat of here.

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quickly settled through collective bargaining. These remarks apply equally well to a public service. The definition both of a civil servant and a public service is very vague and involved. The latter can, at Government's will, be extended to almost any service. Clause 2, sub-clause 22 says : "a public service means - (a) any railway service and any other transport service operated by power for the carriage of passengers or goods by land, water or air." Logically this definition would include a very strange menagerie of steamers, trains, planes, taxis and lorries, and that taxi drivers would have their right to strike as stringently restricted as would employees of the most vital industry.

Wages are defined as meaning remuneration in money for work done, dearness allowance, "the value of any house accommodation, or of supply of light, water, medical attendance or other amenity or of any other service or of any concessional supply of food grains or other articles; any travelling concession ;..." (C2, (28), (ii & iii), ). Dearness allowance should no longer be calculated as a separate item, but be integrated in the wages as a whole sum. Dearness allowance had a meaning when it was introduced, and, probably, by continuing the distinction between it and the basic wage, employers hoped to leave the way open to a return to the basic wage. But such a hope is now most vain and the retention of a basic wage which is less than the dearness allowance and is so low as to be absolutely insufficient to support anyone, is most artificial. An opportunity of getting rid of this anomaly is provided by the introduction of a Minimum Wage and the adjusting of wages according to a sliding scale of the cost of living index <sup>(4)</sup>. The inclusion in the definition of a wage of housing accommodation, free

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4. A suggestion to this effect is found in the Fair Wages Bill, 1950, C30. But calculations of the cost of living index as made by Government are made according to controlled prices, whereas we have all been taught by sad experience that we cannot get enough of even the essentials like rice at the controlled price and are forced to go to the black market to get enough to live. Hence, until things are

light, medical attendance and a concessional supply of food grains and other articles, is of doubtful value. The question cannot be entered into any detail here, but in general it can be said that the more the workman receives aid in kind from his employer — and this is especially true of housing — the more is he completely dependent on his employer and the less able to assert his own independence and oppose his employer when need arises. A desirable solution of this problem is that each male adult worker should get a family wage which should enable him to pay for all those things which are now included in the definition of a wage.

### STRIKES

The Bill aims at bringing about the settlement of disputes through collective bargaining and for this purpose declares illegal any strike commenced before collective bargaining has been tried and failed. In chapters IV and XII a number of conditions are given which have to be fulfilled before one can go on strike, conditions which are more severe for a public utility service than for others. The powers of the Government as regards any service it shall declare to be of public utility are omnipotent since it can prohibit strikes altogether for the period of six months. A sympathetic strike by a section of employees for "the settlement of the labour dispute which has arisen either in the establishment or establishments in which the employees going on strike are employed ——— or in any other establishment within the same class" is allowed, but a sympathetic strike "commenced or declared within a particular class in sympathy with a strike or lock-out in any other establishment within a different class" (C 107) is illegal. The original clause prohibited all sympathetic strikes, the Select

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in plentiful supply, calculation according to controlled prices does not represent the true cost of living. The same Bill, C28, says that such wages should be paid to an employee "as may enable him to provide a standard family with food, shelter and clothing and also medical expenses and education of children appropriate to his station of life." If this were done, it would go far towards solving the labour problem.

Committee has wisely modified it to allow sympathetic strikes within the same industry. In the abstract reasons can be found to justify a general strike, but in practice it is extremely difficult to do so, and hence, one can justify the suppression of a general strike in the Bill. This will not please those who engineer strikes for political ends, but the less political strikes there are, the more labour will progress towards real solidarity. On the restriction of the right to strike in so far as it affects all workers, something will be said in the conclusion.

### REPRESENTATIVE BARGAINING AGENT

The bargaining agent is either a representative trade union or "the representatives of the employees of that establishment or class of establishments in that area elected in the prescribed manner" (C 34). The difficulty as to whether a union really represents the workers or not arises where there are two or more conflicting unions in the same establishment, or where there are two or more conflicting confederations in an area or class of establishments. In a country where all unions owe allegiance to one federation there arises little difficulty as to the bargaining agent, but in India where the workers' affiliation is split owing to affiliation to various political parties, the problem of finding a satisfactory bargaining agent is more involved and difficult. Unions which would otherwise agree are often opposed to one another and refuse to accept their opposite number as bargaining agent, no matter how large a majority it may have in the establishment, simply because different political views are held. They may agree in theory on the labour problem in question, but in practice they will not combine forces as long as there are political differences among them. The solution to this problem would be not to force a bargaining agent on them, but to have a secret ballot among all the workers of the establishment or class of establishments so that the workers could elect those whom they consider most fit to act in their name. It will be found



that provided that the ballot is secret, and this is a very important point, the vast majority will elect the most fair-minded representatives, and this irrespective of any political allegiance.

### FORCED LEGISLATION

Any legislation which has not the backing of a sound section of the community will not succeed. Compulsory collective bargaining may succeed where unionism is strongly organized and knows that employers have not an unfair advantage owing to greater financial resources and a superior knowledge of legal procedure. Even when these conditions prevail, compulsory arbitration has not been a success, and a voluntary give-and-take has always proved more advantageous to all concerned: the State, employers, employees and the general public. Indian unionism, however, is still far from being strong and well organized; in most cases it is pitifully weak and unorganized and feels itself helpless before a powerful capitalism which — so at least it seems to many workers — is backed up by governmental legislation. "It should be the goal of any progressive labour policy," affirms the Minister for Labour, "to so influence labour-management relations as to make the withdrawal of State intervention possible." One can seriously question whether the present Bill, riddled as it is with State intervention at almost every step will help labour and management to settle their own problems. The Bill abounds in instances of governmental intervention; to mention a few cases: The Government can force the setting up of a Works Committee (C 5), the very nature of which is to foster harmony between labour and management, but neither are likely to come to terms when agreement is forced upon them or if they do make some pact it will be in such an atmosphere of tension that warfare will break out again at the slightest provocation. The French government tried a somewhat similar scheme and it failed precisely because it was forced on the interested parties. There

is no appeal against Government's appointment of a person as a member of a Board, Standing Board, Commission, Labour Court or Tribunal, or Appellate Tribunal (C 14). Workers, however, may have some very legitimate grievance against the appointment of a person they have every reason to believe is inimical to their interests, and should, therefore, have the right to appeal. The order of a Labour Court (36, (4) ) as to the jurisdiction of a bargaining agent is final and binding. As pointed out above, workers may not be willing to accept a given union as bargaining agent by reason of its political views to which they do not subscribe. The Government's power as to strikes is supreme so that, if it wills, it can make every strike illegal. Once again we should point out that given the evident weakness of our unions, it is not surprising that they consider that the strike is their *only weapon* of defence and that consequently this Bill in its present form leaves many of them defenceless. This applies especially to civil servants and workers in a public utility. Moreover, it seems certain that forced arbitration will increase the number of unofficial strikes started without the approval of union leaders — this is the bane of many western unions — and will produce a crop of lightning and illegal strikes, and thus defeat the purpose of this Bill.

### LENGTHY LEGAL PROCEDURE

If the right to strike is seriously curtailed, then the arbitration machinery must function not only smoothly but also rapidly. Nothing is more exasperating than to have an award pending for months or even years — and we have already had experience of these kinds of delays. As long as the case is pending there is a state of dangerous tension between employer and employee which is most inimical to favourable relations of goodwill and agreement. It is seriously to be feared that the Bill's complicated and multiple machinery of conciliation, arbitration and appeal will make for long and protracted disputes. This dilatoriness is perhaps the Bill's worst feature and given the na-

tional delight in litigation will be a lawyers' paradise. Here are some instances of the Bill's "go slow" policy: the conciliation preliminaries take 14 days (C 29); the Conciliation Officer may take 30 days (C 30); the Commission of Inquiry six months (C 53); the Standing Conciliation Board one month (C 57 (5)); the Labour Court and Labour Tribunal shall give their decision — oh! happy phrase — "as expeditiously as possible," and apparently the Appellate Tribunal may proceed in the same leisurely way, for, that these bodies are not to be hustled we learn from clause 105 where we are told that no strike is allowed in pursuance of any labour dispute "which is pending before a Tribunal, during the pendency of such proceeding or during a period of eight months from the date on which the proceeding before the Tribunal commenced, whichever is shorter..."; the same ruling is given for the Appellate Tribunal (C 105, b & c). Eight months is certainly a very long time to keep employers and employees in a state of tension, and they may even have to wait longer, for, should an appeal be made from a Tribunal to the Appellate Tribunal then the whole dispute along with the preliminaries may take 17 months or more. Given our known liking for litigation and the slowness of the proceeding, the long delays foreseen in the Bill are likely to defeat its very purpose <sup>(5)</sup>.

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5. Clause 84 contains what seems to be a very curious anomaly. After stating that where an employee has been wrongfully dismissed a Tribunal may order his reinstatement or see that he has suitable compensation, adds "Provided further that where an employee is wrongfully dismissed by any banking company, the Tribunal shall not direct reinstatement of that employee except with the consent of the employer." This remarkable statement is either a slip or an unjust concession to big capitalism. One understands that banks do not want doubts to arise as to the honesty of their employees. But where "an employee is wrongfully dismissed" the bank's supposed loss of reputation is not to be considered before the employee's right to a livelihood, and also to a consideration of his reputation, for, if dismissed, there will be a slur on his reputation. It is unjust that a bank should be allowed to act in their own interests without any consideration of human dignity and rights.

## CONCLUSION

The intention of the Bill to establish harmonious relations between employers and employees is undoubtedly good ; such relations could not but help the country forwards at a difficult period. In order to bring about happy relations between management and labour the Bill claims to be comprehensive in its scope and herein lies its downfall. It is *too* comprehensive and not sufficiently realistic in its approach to the problem. In other countries where there is a highly developed union movement due to many decades of struggle, the workers have attained a strong bargaining power and are prepared to meet employers on terms of equality. But even in such countries, Australia and New Zealand, for instance, compulsory arbitration has had, to say the least, a very mixed reception. It is vain to argue — as some Indian industrialists do — that the western unions fought their way to their present position unprotected by government and that Indian unions should do the same. Those who argue thus seem to forget or ignore the decades of terrible misery and sufferings which western workers underwent before they reached their present strength. Indian trade unionism is only three decades old (the first union was the Madras Textile Union, 1918), and is too young and weak to regard with anything but fear the attempts of Government to settle labour disputes on their behalf without the workers having a free say in the matter. Collective bargaining must be the spontaneous outcome of a corporate desire to reach an agreement which is beneficial to both contracting parties. There must be a mutual give-and-take in an air of friendliness and understanding, mutual respect, sincerity and a genuine desire to reach a fair agreement of qualities that should be found on both sides. We have said little of the employers in this article because that would make it too long, but they too have criticised this Bill because it infringes on their rights and because they consider that it puts too heavy a burden on them. But what can be insisted on here is that if there

is to be peaceful and constructive negotiation, then there must be sincerity and goodwill on *both* sides. While employers must give fair wages and conditions, the workers must give a fair day's work for a fair day's pay. This fact is too often forgotten and it is one of the disquieting facts of modern unionism that as it grows stronger, it also tends to become less reasonable in its demands. One quite understands and sympathizes with the spirit of combat and antagonism which is born of past fights, but once unionism is strong, it should realise that the old spirit of war and fight is no longer suited to the times and position of employer and employee, and what is needed today is a spirit of real cooperation and goodwill.

The most successful legislation will be that which has the full and spontaneous cooperation of both parties, and forced legislation cannot bring this about because all the necessary qualities, sincerity, honesty, goodwill and constructive negotiation cannot be created by law. We hope that before any further attempt is made to pass this Bill, greater and more serious consideration will be given to the points enumerated above, especially the undoubted fact that a collective agreement cannot be forced upon the interested parties. We may conclude with the words of Philip Murray, President of CIO, 1947: "The human problems of industry cannot be settled by a vote — ; they must be worked out in the give-and-take of sympathetic bargaining. Let us never forget that the *right* of unions and managements to bargain collectively implies a corresponding responsibility to make that democratic process work successfully."

A. Nevett.



## *Co-operatives in Schools*

The short cut to a cooperative state that would guarantee order and liberty and allow a more equitable distribution of national income and national wealth passes through the school. If we want to avoid the evils of capitalism, whether private or state capitalism, in other words if we intend to prevent accumulation of wealth and power in the hands of a few, whether they be businessmen or politicians, private citizens or officials, we must seek to distribute property and the power that goes with it among the masses and at the same time forge the links which will secure efficiency and solidarity. The only way to remedy the economic weakness that would follow the scattering of wealth and power is the cooperative spirit.

In order to awaken the sense of civic responsibility and freedom which is essential to the genuine spirit of the cooperative system, schools and colleges must include the cooperative spirit as part and parcel of their educational pursuit. Society will be shaped by the citizen formed in our schools, and it will be cooperative if school boys and girls are trained to genuine cooperation.

Nobody except faddists would dream of loading the programme of high schools with learned theories on cooperative economics. The more effective, and the only feasible, device is to teach boys and girls the practice and value of cooperation and let them have a personal experience of its working and of its beneficial results.

For schools in cities it is hard to devise practical means of organising cooperative activities as it will be difficult to put the Wardha scheme into full operation. In villages and small towns the problem is a good deal easier.

Undoubtedly various trades, weaving, carpentry, etc., are attractive propositions; they offer alternative avenues of employment and provide useful occupations for the many leisure hours of the agriculturist.

Yet, and particularly so after the dismal failure of an ambitious 'Grow more food campaign', one cannot shake off the conviction that much remains to be done in the training of a peasant as a peasant, and that a most urgent need of the rural masses is to eat more and eat better. As a long-term policy it will pay to accustom the school child to a more abundant and varied diet and instil in him the desire and hope of an improved standard of nourishment.

When all-India speeches have been delivered and all-India plans have been outlined, passed by committees, amended by sub-committees and sanctioned at every stage of administrative competence, one basic step remains: give the peasant the desire and the hope to improve. Social workers who are in daily contact with villagers know that one main obstacle to reform is the villager's feeling that his case is hopeless and that he is helpless. Political and social agitation has done much to awaken the nation, but it has hardly penetrated as far down as the peasant's heart and given him the vision that he, personally, can improve his own lot. He may be titillated with bitter joy at seeing zemindars brought down, and he nurses the bitterer wish that the zemindar's agent and the officials who will replace them be likewise kept within bounds. He resents and fights the exactions of postal peons, forest-guards and police constables with increasing assurance. He hears of government dams and wells with sceptic satisfaction. But he has not yet visualised for himself and his family a richer diet than his ancestors ever had. He fancies that such a diet is a privilege of people of great wealth or of high caste. On the other hand he knows that if ever he would improve his fields and his farmstead, he would be an obvious object of attention to all officials who would request and exact shelter and sustenance, not the motoring officials who raise dust along the roads but the pedestrian subordinates who stay in villages. As heartily does he refrain from attracting the interest of procurement officials. He even fears that any new sign of wealth would invite his relatives and neighbours to press

him for loans or other assistance. He remains a convinced individualist. On the whole he foresees that increased wealth implies increased trouble and he calculates (he may be wrong in his calculations, yet he does so calculate) that when all is said and done he is no worse off than he will ever be. Why change his ways, if he is not to change his condition ?

The picture is not uniformly as black all over the country, and quite many agriculturists have made an effort at improving their lot, though their progress is measured in money rather than in standard of living. They paid off marriage debts or funeral expenses, replaced bullocks and buffaloes or redeemed mortgaged fields ; they may even have buried new silver coins or jewels in a corner or other, and the most progressive may have deposited some money with savings banks. They did not eat more or better, their clothes are as old as ever and their roofs stand unrepaired. Their attitude remains one of self-defence against misfortune and exaction. The scarcity of the last years explains much of their present stagnation, but even in the preceeding period the adult peasant nursed his old cautious outlook of self-defence and was diffident of any improvement which he regarded as unjustified ambition or sheer improvidence.

Signs of change can only be detected in the younger generation which have known the opportunities of war salaries and city wages and shared the visions evoked by the nationalist movement. They saw the big wide world which had facilities different from rural peace, and they did not feel shy of expenses on their own behalf. They were occasionally rebuked by the eldest for their extravagance, but they argued for changes in occupation as well as in standard of life. They had come to desire and to hope that they too could be better fed, better clothed, better housed. Rural youth is the hope of the countryside, and must be trained in the village school to ambition and progress.

The drawing up of programmes and methods to pursue such a task may be left to expert educationists. Our pre-



sent purpose is limited to a few suggestions as to the part realistic cooperativism may play at school. In that restricted field, what appears the most important is the type of cooperative work that is most effective and practical.

In the countryside, schools and colleges have better opportunities than in towns, schools are in better conditions than colleges for the tasks of cooperative education, and boarding-schools have the greatest opportunities. Much can be achieved if pupils are entrusted with the order and cleanliness of classrooms, halls, and surroundings and if a standard is exacted which is a little higher than what they find at home. We have known schools recording full success when the detailed tasks were distributed between patrols of boy-scouts. Yet much more is attained in cooperative gardening. In gardening the peasant's child will feel at one with nature and mother-earth, and engaged in a congenial work. In boarding-schools, pupils are available throughout the day and their routine can be accommodated to seasonal requirements and emergency cases. The produce of the garden is a regular part of their diet and is enjoyed as the fruit of personal labour. It gives them a variety they rarely have at home, and this is all to the good since it is the best way to accustom them to a better diet. At the same time, they test the result of their effort and learn by the process of trials and errors.

They may be given the care of the garden as a whole and under the general supervision of a superintendent distribute among themselves the several plots or crops which they will cultivate in batches and in rotation. In such cases, care must be had that the responsibility of individual plots be assigned to well determined individuals. Group-work has a tendency to become anonymous with undefined responsibility. Anonymous responsibility explains the failure of most committees which pass resolutions and never appoint specific individuals for each specific task. Gardening does not thrive on resolutions, and it will fail if the head of the

boarding establishment cannot immediately hold up a definite pupil for each and every short-coming.

When wholesale gardening is not found possible or desirable, it may be suggested that a parcel of land be divided into plots and each plot assigned to a class. Then the produce is only a supplement to school-fare and can be allowed as an extra on weekly holidays or feast-days. The batches can also be organised by villages or groups of neighbouring villages, the idea being to create local patriotism and solidarity. It but too often happens that solidarity develops only along the lines of family, race or caste and that geographical solidarity is not fostered. Yet economic cooperation supposes local cooperation. For agricultural tasks, peasants do not call in their far away relatives, but must rely on manpower in the village. Instead of hiring this manpower as occasional labour, it would be best to gather it on the basis of cooperation and to develop the sense of realistic mutual aid. The tradition should be started and nursed at school by common production and common consumption.

Day schools might take advantage of such a scheme, forming teams on a class-basis so as to secure a mixing of of castes and social classes and popularising the idea of a common meal in picnic fashion on certain days like the National Day, the Founders' Day, etc. Conviviality is the blossom of cooperation. Solidarity develops through the sharing of experiences, pleasant and unpleasant ; the team spirit is fostered in group discussions and deeds, and cooperation thrives not only on mutual aid but also in common pleasures. Psychologically sharing of efforts, drudgery and suffering is more telling in nursing social consciousness but all work and no play makes the little Jack a dull boy. A school *bara khana* is not without social value. Give pupils common school-memories, and you will have realistically worked to develop village solidarity and prepared the ground for adult cooperation.

A. Lallemand

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## INDIAN INSTITUTE OF SOCIAL ORDER

### AIMS AND OBJECTS

- (1) To spread the social teachings of the Catholic Church.
- (2) To provide theoretical and practical training for social workers.
- (3) To serve as a centre of information about Catholic social works.

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